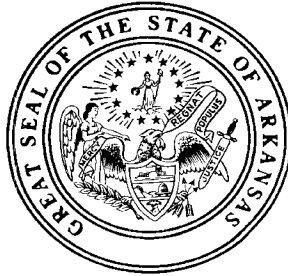


# ARKANSAS FISCAL NOTES



**VOLUME XVI No. 2**

**AUGUST 2002**

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Vol. XVI No. 2

Arkansas Fiscal Notes

August 2002

**GENERAL REVENUE SUMMARY: August FY 2003**

**FY 03 Gross General Revenues** totaled \$603.8 million, an increase of \$15.1 million or 2.6 percent over last year. With respect to the official general revenue forecast of June 6, 2002 (96.06% of A allocation) year-to-date gross general revenues were \$15.7 million or 2.7 percent above forecast (see Table A).

**FY 03 Net Available Revenues** totaled \$518.8 million, \$21.3 million or 4.3 percent above last year. Compared to the June 6, 2002 forecast, collections were \$19.1 million or 3.8 percent above forecast.

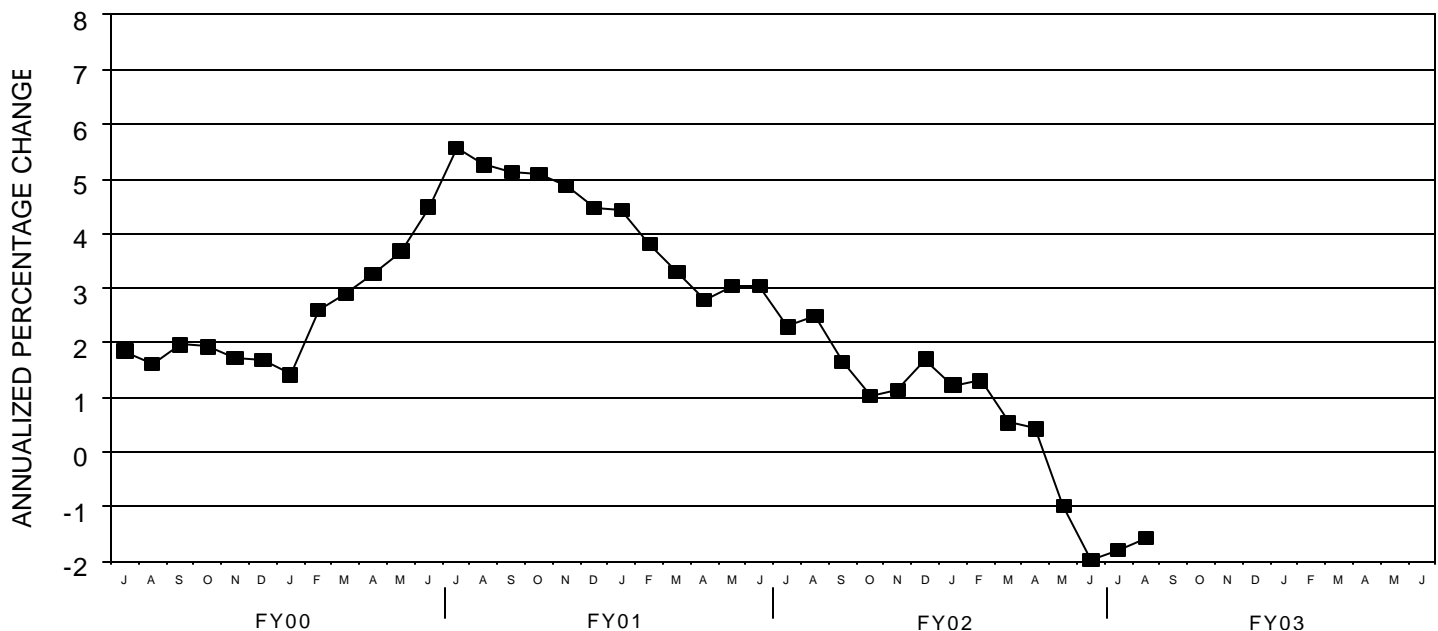
**FY 03 Refunds** totaled \$19.4 million, \$7.2 million or 27.1 percent below FY 02 and \$3.0 million or 13.5 percent below forecast.

**FY 03 Individual Income Tax Collections** totaled \$241.2 million, an increase of \$6.8 million or 2.9 percent above last year and \$4.6 million or 2.0 percent above forecast.

**FY 03 General Corporate Income Tax Collections** totaled \$20.0 million, an increase of \$6.4 million or 46.9 percent above FY 02 and \$6.3 million or 45.6 percent above forecast.

**Overview: Net General Revenue Growth.** Net general revenues are defined as gross revenues less individual and corporate income tax refunds. For the twelve-month period ending in August, net general revenues totaled \$3,629.8 million and declined at an annual rate of 1.6 percent. One year ago, the net general revenues grew by 2.5 percent.

**ANNUALIZED RATE OF GROWTH IN  
NET GENERAL REVENUES**



**August Gross General Revenues** totaled \$305.5 million, an increase of \$6.6 million or 2.2 percent compared to last year. With respect to the official general revenue forecast of June 6, 2002 (96.06% of A allocation) gross general revenues were \$10.0 million or 3.4 percent above forecast (see Table A).

**August Net Available General Revenues** totaled \$264.2 million, \$13.9 million or 5.5 percent above last year and \$12.8 million or 5.1 percent above forecast.

**Refunds: Individual and Corporate.** August refunds totaled \$8.8 million, \$8.0 million or 47.8 percent below last year. With respect to the fiscal year's forecast, refunds are \$3.1 million or 26.3 percent below forecast.

**August Individual Income Tax Collections.** August collections totaled \$117.5 million, an increase of \$3.5 million or 3.0 percent compared to August 2001 and \$2.2 million or 1.9 percent above forecast. For the twelve-month period ending August 2002, net individual income taxes totaled \$1,521.6 million and declined at an annual rate of 2.3 percent.

**General and Special Revenue Corporate Income Tax Collections.** August general revenue collections totaled \$7.6 million, an increase of \$5.6 million or 276.8 percent above August 2001 and \$5.5 million or 261.6 percent above forecast.

For the twelve-month period ending in August, general and special corporate income taxes totaled \$238.3 million. These collections are declining at an annual rate of 3.2 percent. One year ago, corporate income taxes were decreasing at an annual rate of 8.7 percent.

**Special Corporate Income Taxes.** Each month \$1.0 million (\$12.0 million total in FY 2003) in corporate income tax collections goes to *special* revenues. These revenues are not included in *general* revenue totals. They are allocated to the WorkForce 2000 Fund, which provides for the upgrading of the post-secondary technical colleges of the state.

**Special Revenue #1: Conservation Fund, Act 156 of 1997** levied a one-eighth of one-cent increase in the sales and use tax rate. The state **general** sales and use tax rate is 4.5%. Act 156 (1997), the Conservation Fund Act, added 1/8% (or .125) to the state sales and use tax rate but as a **special** revenue effective July 1, 1997. After deductions, the remaining money is distributed to the Game Protection Fund (45%), the Department of Parks and Tourism (45%), Arkansas Department of Heritage (9%), and the Keep Arkansas Beautiful Fund (1%). Through August 2002, \$8.3 million was collected. Through August 2001, \$8.0 million was collected.

**Special Revenue #2: Property Tax Relief Fund, Acts 1-2 of 2000, 2<sup>nd</sup> Extraordinary Session of 82<sup>nd</sup> General Assembly** levied a 0.5% increase in the sales and use tax rate effective January 1, 2001. This increase is special revenue dedicated to reimbursing Arkansas counties for the cost of homestead property tax credits created by Amendment 79 to the Arkansas Constitution. Through August 2002, \$32.4 million was collected compared to \$31.5 million through August 2001.

**Sales Taxes.** August collections are estimated at \$128.1 million, \$2.4 million or 1.9 percent above last year and \$0.1 million or 0.1 percent above forecast. On an annualized basis, sales tax collections grew at an annual rate of 1.4 percent, unchanged from July. One year ago, the growth rate was 3.5 percent.

**Use Taxes.** August collections are estimated at \$20.0 million, \$0.9 million or 4.6 percent above August 2001 and \$1.1 million or 5.8 percent above forecast. On an annualized basis, use taxes decreased at an annual rate of 3.0 percent, up from a 3.8 percent decrease last month. One year ago, collections were decreasing at an annual rate of 1.5 percent.

Use tax collections are dominated by business spending. While equipment used directly in manufacturing is exempt from the sales and use tax, business expenditures on office equipment & furniture, office computers, construction equipment (e.g., earth-moving equipment), refrigeration units, mining equipment, vehicles, and fork-lifts bought or leased from out-of-state vendors are subject to the compensating use tax.

**August Estate Tax Collections.** Estate tax collections for August totaled \$27.7 million. In accordance with Act 1681 (2001) (ACA § 26-59-122), this revenue must be deposited in the general improvement fund for future spending. The law stipulates that the general revenue portion is capped on a calendar year basis at \$15.0 million. For calendar year 2002, the general revenue allocation for estate tax revenues has been met.

**Estimates for Sales & Use Tax.** Within each month's issue of *Arkansas Fiscal Notes*, sales and use tax totals for the month are estimates. The actual figures will be published in the following month's issue. The following is a table reflecting the last three months of sales and use tax collections.

Month	Sales (in millions)	Use (in millions)
June 2002	117.020	18.022
July 2002 est.	126.745	20.690
August 2002 est.	128.130	20.000

**Medicaid Program Trust Fund (Soft Drink Tax).** August collections totaled \$3.6 million compared to \$3.5 million in August 2001.

**TABLE A: GENERAL REVENUES FOR MONTH OF AUGUST, 2002**

	ACTUAL AUGUST 2002	FORECAST AUGUST 2002	ACTUAL AUGUST 2001	CHANGE FROM: FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$117,532,526	\$115,300,000	\$114,071,678	\$2,232,526	1.9	\$3,460,848	3.0
CORPORATE INCOME	7,593,619	2,100,000	2,015,320	5,493,619	261.6	5,578,299	276.8
SALES	128,130,000 e	128,000,000	125,727,368	130,000	0.1	2,402,632	1.9
USE	20,000,000 e	18,900,000	19,122,552	1,100,000	5.8	877,448	4.6
ALCOHOLIC BEVERAGE	2,525,308 e	2,700,000	2,533,136	(174,692)	(6.5)	(7,827)	(0.3)
TOBACCO	7,935,446	6,700,000	6,893,236	1,235,446	18.4	1,042,210	15.1
INSURANCE PREMIUM	19,430,126	18,800,000	21,422,391	630,126	3.4	(1,992,265)	(9.3)
RACING	306,335	300,000	340,075	6,335	2.1	(33,740)	(9.9)
SEVERANCE	658,898	700,000	708,135	(41,102)	(5.9)	(49,237)	(7.0)
CORPORATE FRANCHISE	142,669	500,000	822,120	(357,331)	(71.5)	(679,451)	(82.6)
ESTATE	0	0	3,745,273	0	0.0	(3,745,273)	(100.0)
REAL ESTATE TRANSFER	678,156	800,000	768,421	(121,844)	(15.2)	(90,265)	(11.7)
MISCELLANEOUS	528,954	700,000	655,434	(171,046)	(24.4)	(126,479)	(19.3)
<b>GROSS REVENUES</b>	<b>\$305,462,038</b>	<b>\$295,500,000</b>	<b>\$298,825,138</b>	<b>\$9,962,038</b>	<b>3.4</b>	<b>\$6,636,900</b>	<b>2.2</b>
LESS:							
SCSF/COF	9,163,861	8,865,000	8,460,519	298,861	3.4	703,343	8.3
REFUNDS	8,769,193	11,900,000	16,807,853	(3,130,807)	(26.3)	(8,038,661)	(47.8)
CLAIMS	0	0	0	0	0.0	0	0.0
ECON DEVEL INCENTIVE	889,421	800,000	817,396	89,421	11.2	72,024	8.8
WATER/SEWER/COLLEGI	444,000	540,000	503,000	(96,000)	(17.8)	(59,000)	(11.7)
MLA CITY/CO.	0	0	0	0	0.0	0	0.0
DESEGREGATION SETTLE	2,700,000	2,700,000	2,700,000	0	0.0	0	0.0
EDUCATIONAL EXCELLEN	19,118,617	19,200,000	19,056,831	(81,384)	(0.4)	61,786	0.3
ELDERLY TRANSPORTAT	201,667	100,000	173,726	101,667	101.7	27,941	16.1
ALLOTMENT RESERVE	0	0	0	0	0.0	0	0.0
<b>NET AVAILABLE</b>	<b>\$264,175,280</b>	<b>\$251,395,000</b>	<b>\$250,305,813</b>	<b>\$12,780,280</b>	<b>5.1</b>	<b>\$13,869,467</b>	<b>5.5</b>

e Denotes Estimate

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.  
NET AVAILABLE ESTIMATE: JUNE 6, 2002, (96.06% OF A).

## TABLE B: YEAR-TO-DATE GENERAL REVENUES

	ACTUAL YTD AUGUST 2002	FORECAST YTD AUGUST 2002	ACTUAL YTD AUGUST 2001	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$241,243,260	\$236,600,000	\$234,483,411	\$4,643,260	2.0	\$6,759,849	2.9
CORPORATE INCOME	19,952,025	13,700,000	13,578,718	6,252,025	45.6	6,373,307	46.9
SALES	254,874,691 e	254,800,000	241,574,619	74,691	0.0	13,300,071	5.5
USE	40,690,243 e	38,100,000	47,697,683	2,590,243	6.8	(7,007,440)	(14.7)
ALCOHOLIC BEVERAGE	5,609,159 e	6,000,000	5,702,358	(390,841)	(6.5)	(93,199)	(1.6)
TOBACCO	15,809,879	13,600,000	12,120,909	2,209,879	16.2	3,688,969	30.4
INSURANCE PREMIUM	19,921,135	19,100,000	21,422,391	821,135	4.3	(1,501,255)	(7.0)
RACING	647,211	800,000	817,521	(152,789)	(19.1)	(170,309)	(20.8)
SEVERANCE	1,219,421	1,300,000	1,357,505	(80,579)	(6.2)	(138,084)	(10.2)
CORPORATE FRANCHISE	903,423	1,000,000	1,515,029	(96,578)	(9.7)	(611,607)	(40.4)
ESTATE	0	0	5,354,008	0	0.0	(5,354,008)	(100.0)
REAL ESTATE TRANSFER	1,420,195	1,400,000	1,393,630	20,195	1.4	26,565	1.9
MISCELLANEOUS	1,474,027	1,700,000	1,645,624	(225,973)	(13.3)	(171,597)	(10.4)
<b>GROSS REVENUES</b>	<b>\$603,764,670</b>	<b>\$588,100,000</b>	<b>\$588,663,407</b>	<b>\$15,664,670</b>	<b>2.7</b>	<b>\$15,101,262</b>	<b>2.6</b>
LESS:							
SCSF/COF	18,112,940	17,643,000	17,155,667	469,940	2.7	957,273	5.6
REFUNDS	19,375,186	22,400,000	26,568,739	(3,024,814)	(13.5)	(7,193,553)	(27.1)
CLAIMS	0	0	0	0	0.0	0	0.0
ECON DEVEL INCENTIVE	889,421	1,600,000	817,396	(710,580)	(44.4)	72,024	8.8
WATER/SEWER/COLLEG	444,000	540,000	503,000	(96,000)	(17.8)	(59,000)	(11.7)
MLA CITY/CO.	2,013,439	2,140,000	2,056,431	(126,562)	(5.9)	(42,992)	(2.1)
DESEGREGATION SETTLE	5,500,000	5,500,000	5,500,000	0	0.0	0	0.0
EDUCATIONAL EXCELLENCE	38,237,233	38,400,000	38,233,931	(162,767)	(0.4)	3,302	0.0
ELDERLY TRANSPORTATION	400,869	200,000	302,540	200,869	100.4	98,329	32.5
ALLOTMENT RESERVE	0	0	0	0	0.0	0	0.0
<b>NET AVAILABLE</b>	<b>\$518,791,583</b>	<b>\$499,677,000</b>	<b>\$497,525,705</b>	<b>\$19,114,583</b>	<b>3.8</b>	<b>\$21,265,878</b>	<b>4.3</b>

e Denotes Estimate

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&amp;A.

NET AVAILABLE ESTIMATE: JUNE 6, 2002 (96.06% OF A).

**TABLE C**  
**OFFICIAL GENERAL REVENUE FORECAST**  
**2001-2003 BIENNIUM**

Millions of Dollars	FY 01			FY 02			06/06/02 Estimate	FY 03	
	Actual	Increase	% CH	Actual	Increase	% CH		Increase	% CH
INDIVIDUAL INCOME	1,804.7	92.3	5.4	1,790.4	(14.2)	(0.8)	1,827.9	37.5	2.1
CORPORATE INCOME	234.5	(18.7)	(7.4)	218.5	(16.0)	(6.8)	210.6	(7.8)	(3.6)
SALES TAX	1,447.7	46.3	3.3	1,452.4	4.7	0.3	1,519.4	67.0	4.6
USE TAX	230.1	(0.9)	(0.4)	229.4	(0.7)	(0.3)	250.0	20.6	9.0
ALCOHOLIC BEVERAGE	30.5	(0.2)	(0.6)	32.2	1.7	5.6	33.7	1.5	4.7
TOBACCO	96.8	3.8	4.1	87.3	(9.6)	(9.9)	87.0	(0.3)	(0.3)
INSURANCE	81.2	5.9	7.9	79.5	(1.6)	(2.0)	79.3	(0.2)	(0.3)
RACING	6.0	(0.3)	(5.5)	4.1	(1.8)	(31.1)	4.2	0.1	2.4
SEVERANCE	9.5	2.7	39.5	6.6	(2.9)	(30.8)	6.6	0.0	0.2
CORPORATE FRANCHISE	7.9	0.9	13.1	8.5	0.6	7.9	8.0	(0.5)	(6.1)
ESTATE	9.4	(5.6)	(37.4)	19.9	10.5	112.3	15.0	(4.9)	(24.5)
REAL ESTATE TRANSFER	2.6	(0.0)	(0.1)	2.6	(0.0)	(0.0)	2.6	0.0	0.0
MISCELLANEOUS	17.6	0.7	4.0	12.1	(5.5)	(31.1)	19.0	6.9	56.9
<b>TOTAL GROSS</b>	<b>3,978.2</b>	<b>126.8</b>	<b>3.3</b>	<b>3,943.4</b>	<b>(34.8)</b>	<b>(0.9)</b>	<b>4,063.3</b>	<b>119.9</b>	<b>3.0</b>
LESS: MCF (SCS/COF)	119.4	3.8	3.3	117.9	(1.4)	(1.2)	121.9	4.0	3.4
INDIVIDUAL REFUNDS/MOA	249.1	1.8	0.7	278.4	29.2	11.7	252.0	(26.4)	(9.5)
CORPORATE REFUNDS	48.2	16.5	51.8	55.3	7.1	14.7	48.0	(7.3)	(13.2)
CLAIMS RESERVE	0.0	0.0	N.A.	0.0	0.0	N.A.	10.0	10.0	N.A.
ECON DEVEL INCENTIVE FUND	4.7	2.1	82.5	8.5	3.8	81.9	10.3	1.8	21.1
WATER & SEWER BONDS	5.5	0.9	20.0	5.0	(0.6)	(9.9)	5.6	0.7	13.2
COLL SVNGS BOND DEBT SRV	24.0	1.6	7.0	23.9	(0.1)	(0.3)	24.0	0.1	0.4
MLA CITY/CO TOURIST	9.2	2.2	31.3	8.2	(0.9)	(10.3)	8.1	(0.1)	(1.0)
EDUC EXCEL TRUST FUND	223.9	13.7	6.5	228.8	4.9	2.2	230.7	1.9	0.8
DESEGREGATION	32.8	1.8	5.8	32.8	0.0	0.0	32.8	0.0	0.1
ELDERLY TRANSPORTATION	2.5	0.1	3.8	2.2	(0.3)	(13.1)	2.2	(0.0)	(0.0)
ALLOTMENT RESERVE	---	---	---	---	---	---	---	---	---
<b>NET AVAILABLE</b>	<b>3,258.9</b>	<b>82.4</b>	<b>2.6</b>	<b>3,182.4</b>	<b>(76.6)</b>	<b>(2.3)</b>	<b>3,317.5</b>	<b>135.2</b>	<b>4.2</b>

PREPARED BY ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A  
OFFICIAL NET AVAILABLE ESTIMATE, JUNE 6, 2002 (FY 2003): (96.06% of A)



**TABLE D**  
**HISTORY OF REVENUE AND ECONOMIC GROWTH**  
**FY 1998-2000**

Millions of Dollars	FY-98			FY-99			FY-00		
	Actual	Increase	% CH	Actual	Increase	% CH	Actual	Increase	% CH
INDIVIDUAL INCOME TAX	1570.0	155.6	11.0	1665.2	95.2	6.1	1712.4	47.2	2.8
INDIVIDUAL REFUNDS/MOA	<u>183.4</u>	<u>12.2</u>	<u>7.1</u>	<u>231.3</u>	<u>47.9</u>	<u>26.1</u>	<u>247.4</u>	<u>16.0</u>	<u>6.9</u>
NET INDIVIDUAL INCOME	1,386.5	143.4	11.5	1,433.8	47.3	3.4	1,465.0	31.2	2.2
CORPORATE INCOME	272.1	24.3	9.8	254.2	(17.9)	(6.6)	253.2	(1.0)	(0.4)
CORPORATE REFUNDS	<u>36.2</u>	<u>4.6</u>	<u>14.5</u>	<u>42.0</u>	<u>5.8</u>	<u>15.9</u>	<u>31.7</u>	<u>(10.3)</u>	<u>(24.4)</u>
NET CORPORATE INCOME	235.9	19.7	9.1	212.2	(23.7)	(10.0)	221.4	9.2	4.4
SALES TAX	1,269.7	31.2	2.5	1,318.3	48.6	3.8	1401.4	83.1	6.3
USE TAX	<u>196.5</u>	<u>17.0</u>	<u>9.5</u>	<u>213.8</u>	<u>17.3</u>	<u>8.8</u>	<u>231.0</u>	<u>17.2</u>	<u>8.0</u>
NET ECONOMIC TAX REVENUE	3,088.6	211.4	7.3	3,178.1	89.6	2.9	3,318.8	140.7	4.4
OTHER TAX REVENUE	<u>238.1</u>	<u>(12.1)</u>	<u>(4.8)</u>	<u>240.9</u>	<u>2.8</u>	<u>1.2</u>	<u>253.5</u>	<u>12.6</u>	<u>5.2</u>
<b>GROSS GENERAL REVENUES</b>	3,546.4	216.1	6.5	3,692.4	146.0	4.1	3,851.4	159.0	4.3
LESS: MCF	106.4	6.5	6.5	110.8	4.4	4.1	115.5	4.8	4.3
INDIVIDUAL REFUNDS/MOA	183.4	12.2	7.1	231.3	47.9	26.1	247.4	16.0	6.9
CORPORATE REFUNDS	36.2	4.6	14.5	42.0	5.8	15.9	31.7	(10.3)	(24.4)
CLAIMS	0.0	(1.1)	(100.0)	0.0	0.0	N.A.	0.0	0.0	N.A.
ECON DEVEL INCENTIVE FUND	2.6	(0.1)	(4.9)	1.8	(0.8)	(31.9)	2.6	0.8	45.5
WATER/SEWER BONDS	6.5	3.7	137.0	5.6	(0.9)	(13.7)	4.6	(1.0)	(17.4)
MLA CITY/CO TOURIST	5.5	1.4	35.3	5.1	(0.4)	(7.0)	7.0	1.9	37.1
DESEGREGATION SETTLEMENT	28.0	6.6	30.8	28.1	0.1	0.4	31.0	2.9	10.3
EDUCATIONAL EXCELLENCE	192.5	0.0	0.0	192.5	0.0	0.0	210.1	17.6	9.2
ELDERLY TRANSPORTATION	2.6	0.0	0.7	2.5	(0.1)	(2.2)	2.4	(0.1)	(2.8)
COLL SVNGS BOND DEBT SRV.	21.0	(3.1)	(12.7)	23.2	2.2	10.6	22.4	(0.8)	(3.5)
ALLOTMENT RESERVE	<u>58.8</u>	<u>(27.8)</u>	<u>(32.1)</u>	<u>40.2</u>	<u>(18.6)</u>	<u>(31.7)</u>	---	---	---
<b>NET AVAILABLE REVENUES</b>	2,902.8	217.5	8.1	3,009.3	106.4	3.7	3,176.6	167.3	5.6
<b>ECONOMIC ASSUMPTIONS</b>	FY 1998			FY 1999			FY 2000 e		
U.S. NOMINAL GDP (Billions \$)	8,549.0	488.0	6.1	9,014.0	465.0	5.4	9,587.0	573.0	6.4
GDP DEFLATOR (1996 = 100)	102.6	1.6	1.6	103.9	1.3	1.3	105.8	1.9	1.8
GDP (1996\$ CHAIN WEIGHT)	8,332.2	351.8	4.4	8,675.3	343.1	4.1	9,063.3	388.0	4.5
CONSUMER PRICE INDEX (1984=100)	161.9	2.8	1.8	164.6	2.8	1.7	169.4	4.8	2.9
NET GENERAL REVENUE (Millions \$)	3,326.7	199.3	6.4	3,419.0	92.4	2.8	3,572.3	153.3	4.5
AR. STATE PERSONAL INCOME (M\$)	52,488	2,587	5.2	55,357	2,869	5.5	57,980	2,623	4.7
NGR % of ASPI	6.338	0.1	1.1	6.176	(0.2)	(2.6)	6.161	(0.0)	(0.2)
AR. W & S DISBURSEMENTS (M\$)	27,536	1,727	6.7	29,091	1,555	5.6	30,847	1,756	6.0
AR. NON-FARM PROPRIETOR'S INC (M\$)	3,589.8	160.0	4.7	3,837.8	248.0	6.9	4,090.8	253.0	6.6
AR. FARM INCOME (\$)	1,565.8	(247.5)	(13.6)	1,694.3	128.5	8.2	1,297.8	(396.5)	(23.4)
AR. EXISTING HOME SALES (THOUS)	49.0	2.0	4.2	60.8	11.8	24.1	60.6	(0.3)	(0.5)
AR. TAXABLE SALES (B\$)	32.58	1.1	3.4	34.05	1.5	4.5	36.27	2.2	6.5
AR. W & S EMPLOYMENT	1,114,600	21,300	1.9	1,131,200	16,600	1.5	1,153,300	22,100	2.0
AR. MANUFACTURING EMPLOYMENT	253,660	910	0.4	252,360	(1,300)	(0.5)	252,380	20	0.0
UNEMPLOYMENT RATE	5.5	0	3.3	5.0	(1)	(9.8)	4.5	(1)	(10.1)
AR PER CAPITA INCOME	20,723.0	894	4.5	21,725.0	1,002	4.8	22,599.0	874	4.0

**TABLE D  
ECONOMIC ASSUMPTIONS AND THE  
OFFICIAL GENERAL REVENUE FORECAST  
2001-2003 BIENNIUM**

Millions of Dollars	FY-01			FY-02			06/06/02 Estimate	FY-03	
	Actual	Increase	% CH	Actual	Increase	% CH		Increase	% CH
INDIVIDUAL INCOME TAX	1804.7	92.3	5.4	1790.4	(14.2)	(0.8)	1827.9	37.5	2.1
INDIVIDUAL REFUNDS/MOA	<u>249.1</u>	<u>1.8</u>	<u>0.7</u>	<u>278.4</u>	<u>29.2</u>	<u>11.7</u>	<u>252.0</u>	<u>(26.4)</u>	<u>(9.5)</u>
NET INDIVIDUAL INCOME	1,555.5	90.5	6.2	1,512.1	(43.4)	(2.8)	1,575.9	63.8	4.2
CORPORATE INCOME	234.5	(18.7)	(7.4)	218.5	(16.0)	(6.8)	210.6	(7.8)	(3.6)
CORPORATE REFUNDS	<u>48.2</u>	<u>16.5</u>	<u>51.8</u>	<u>55.3</u>	<u>7.1</u>	<u>14.7</u>	<u>48.0</u>	<u>(7.3)</u>	<u>(13.2)</u>
NET CORPORATE INCOME	186.3	(35.2)	(15.9)	163.2	(23.1)	(12.4)	162.6	(0.5)	(0.3)
SALES TAX	1447.7	46.3	3.3	1452.4	4.7	0.3	1519.4	67.0	4.6
USE TAX	<u>230.1</u>	<u>(0.9)</u>	<u>(0.4)</u>	<u>229.4</u>	<u>(0.7)</u>	<u>(0.3)</u>	<u>250.0</u>	<u>20.6</u>	<u>9.0</u>
NET ECONOMIC TAX REVENUE	3,419.5	100.7	3.0	3,357.0	(62.5)	(1.8)	3,507.9	150.9	4.5
OTHER TAX REVENUE	<u>261.4</u>	<u>7.9</u>	<u>3.1</u>	<u>252.7</u>	<u>(8.6)</u>	<u>(3.3)</u>	<u>255.4</u>	<u>2.7</u>	<u>1.0</u>
<b>GROSS GENERAL REVENUES</b>	3,978.2	126.8	3.3	3,943.4	(34.8)	(0.9)	4,063.3	119.9	3.0
LESS: MCF	119.4	3.8	3.3	117.9	(1.4)	(1.2)	121.9	4.0	3.4
INDIVIDUAL REFUNDS/MOA	249.1	1.8	0.7	278.4	29.2	11.7	252.0	(26.4)	(9.5)
CORPORATE REFUNDS	48.2	16.5	51.8	55.3	7.1	14.7	48.0	(7.3)	(13.2)
CLAIMS	0.0	0.0	N.A.	0.0	0.0	N.A.	10.0	10.0	N.A.
ECON DEVEL INCENTIVE FUND	4.7	2.1	82.5	8.5	3.8	81.9	10.3	1.8	21.1
WATER/SEWER BONDS	5.5	0.9	20.0	5.0	(0.6)	(9.9)	5.6	0.7	13.2
MLA CITY/CO TOURIST	9.2	2.2	31.3	8.2	(0.9)	(10.3)	8.1	(0.1)	(1.0)
DESEGREGATION SETTLEMENT	32.8	1.8	5.8	32.8	0.0	0.0	32.8	0.0	0.1
EDU. EXCELLENCE TRUST FUND	223.9	13.7	6.5	228.8	4.9	2.2	230.7	1.9	0.8
ELDERLY TRANSPORTATION	2.5	0.1	3.8	2.2	(0.3)	(13.1)	2.2	(0.0)	(0.0)
COLL SVNGS BOND DEBT SRV.	24.0	1.6	7.0	23.9	(0.1)	(0.3)	24.0	0.1	0.4
ALLOTMENT RESERVE	---	---	---	---	---	---	---	---	---
<b>NET AVAILABLE REVENUES</b>	3,258.9	82.4	2.6	3,182.4	(76.6)	(2.3)	3,317.5	135.2	4.2
<b>ECONOMIC ASSUMPTIONS</b>	FY 2001 e			FY 2002 e			FY 2003 e		
U.S. NOMINAL GDP (Billions \$)	10,077.0	490.0	5.1	10,250.0	173.0	1.7	10,669.0	419.0	4.1
GDP DEFLATOR (1996 = 100)	108.2	2.4	2.3	110.2	2.0	1.8	111.9	1.7	1.5
GDP (1996\$ CHAIN WEIGHT)	9,310.1	246.8	2.7	9,302.6	(7.5)	(0.1)	9,538.6	236.0	2.5
CONSUMER PRICE INDEX (1984=100)	175.2	5.8	3.4	178.8	3.7	2.1	183.1	4.2	2.4
NET GENERAL REVENUE (Millions \$)	3,680.9	108.6	3.0	3,609.8	(71.1)	(1.9)	3,763.3	153.6	4.3
AR. STATE PERSONAL INCOME (M\$)	60,312	2971.0	5.2	62,017	1705.0	2.8	64,297	2280.0	3.7
NGR % of ASPI	6.103	(0.1)	(2.0)	5.821	(0.3)	(4.6)	5.853	0.0	0.6
AR. W & S DISBURSEMENTS (M\$)	32,459	1670.0	5.4	33,425	966.0	3.0	34,355	930.0	2.8
AR. NON-FARM PROPRIETOR'S INC (M\$)	4,144.5	106.7	2.6	4,223.6	79.1	1.9	4,420.6	197.0	4.7
AR. FARM INCOME (\$)	1,388.0	(166.8)	(10.7)	1,683.7	295.7	21.3	1,763.8	80.1	4.8
AR. EXISTING HOME SALES (THOUS)	54.2	(6.4)	(10.6)	53.4	(0.7)	(1.3)	53.5	0.1	0.1
AR. TAXABLE SALES (B\$)	37.28	1.0	2.8	37.37	0.1	0.2	39.32	1.9	5.2
AR. W & S EMPLOYMENT	1,165,400	12100.0	1.0	1,160,700	(4700.0)	(0.4)	1,158,400	(2300.0)	(0.2)
AR. MANUFACTURING EMPLOYMENT	247,410	(4960.0)	(2.0)	233,630	(13780.0)	(5.6)	225,160	(8470.0)	(3.6)
UNEMPLOYMENT RATE	4.4	(0.1)	(2.2)	4.9	0.6	12.6	5.1	0.2	3.7
AR PER CAPITA INCOME	23,349.0	999.0	4.5	23,826.0	477.0	2.0	24,308.0	482.0	2.0
DIVIDENDS, INTEREST, AND RENT	10,977.0	656.0	6.4	10,490.0	(487.0)	(4.4)	10,308.0	(182.0)	(1.7)

## ECONOMIC NOTES

### Most Recent Estimate of GDP Growth

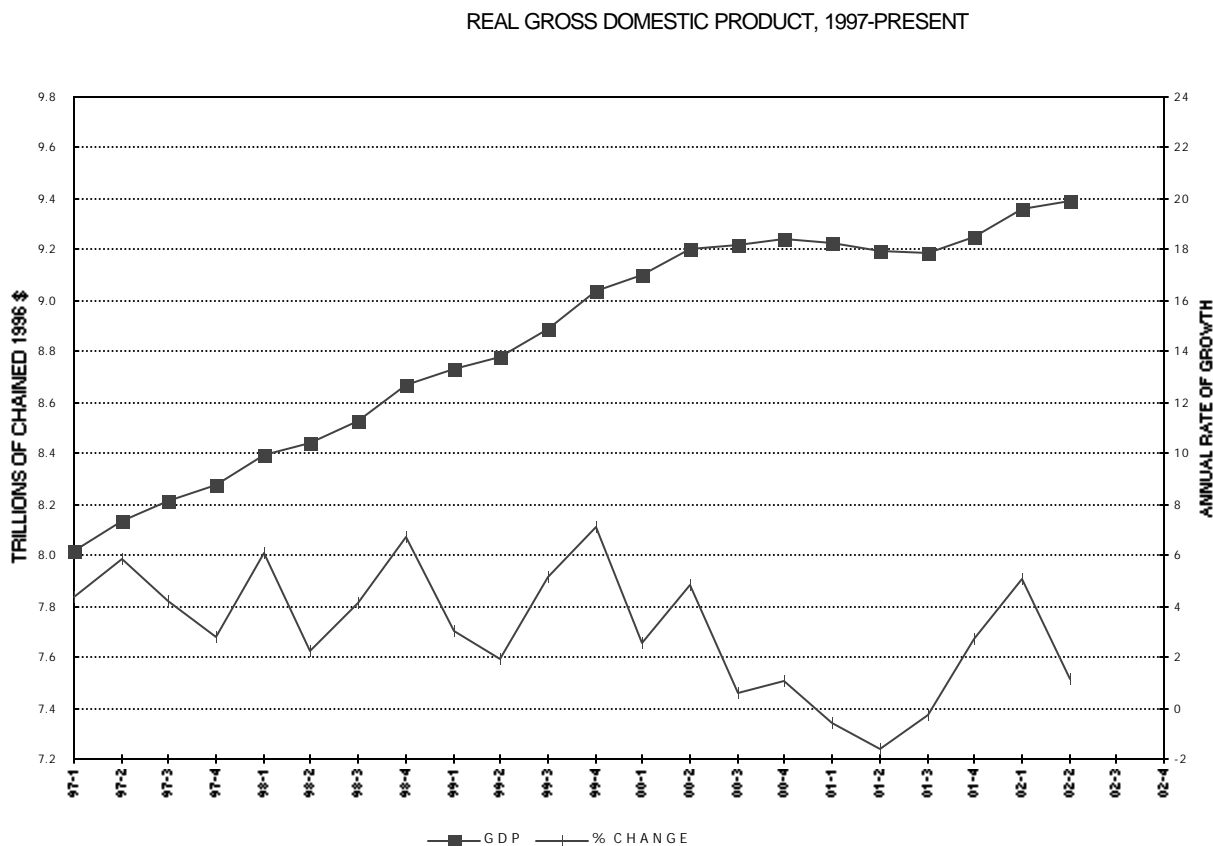
Gross Domestic Product is a measure of the nation's output of domestically produced goods and services. The Commerce Department's estimate of real GDP growth uses the new chain-weighted measure instead of the fixed-weighted measure used previously. The new calculation better reflects yearly price fluctuations.

Quarterly estimates of GDP are released on the following schedule: Advance estimates, based on preliminary and incomplete source data and BEA assumptions about the missing source data, are released in the first month after the end of the quarter; preliminary and final estimates, which incorporate additional and revised source data, are released in the second and third months, respectively.

Revisions are usually made each July to incorporate source data that are more complete, more detailed, and otherwise more appropriate than previously available. These latest estimates reflect revisions in the national income and product accounts (NIPA's) beginning with the first quarter of 1999.

The U.S. economy grew at a 1.1% annual rate in the second quarter of 2002 according to the Commerce Department's preliminary estimate for GDP growth. This is down from the first quarter's growth of 5.0%. In 2001, real GDP grew 0.3%. In comparison, GDP grew by 3.8% in 2000, 4.1% in 1999 and 4.3% in 1998.

Quarterly estimates of GDP since the first quarter of 1997, and the annualized growth rates implied by these estimates, are displayed in the graph below.



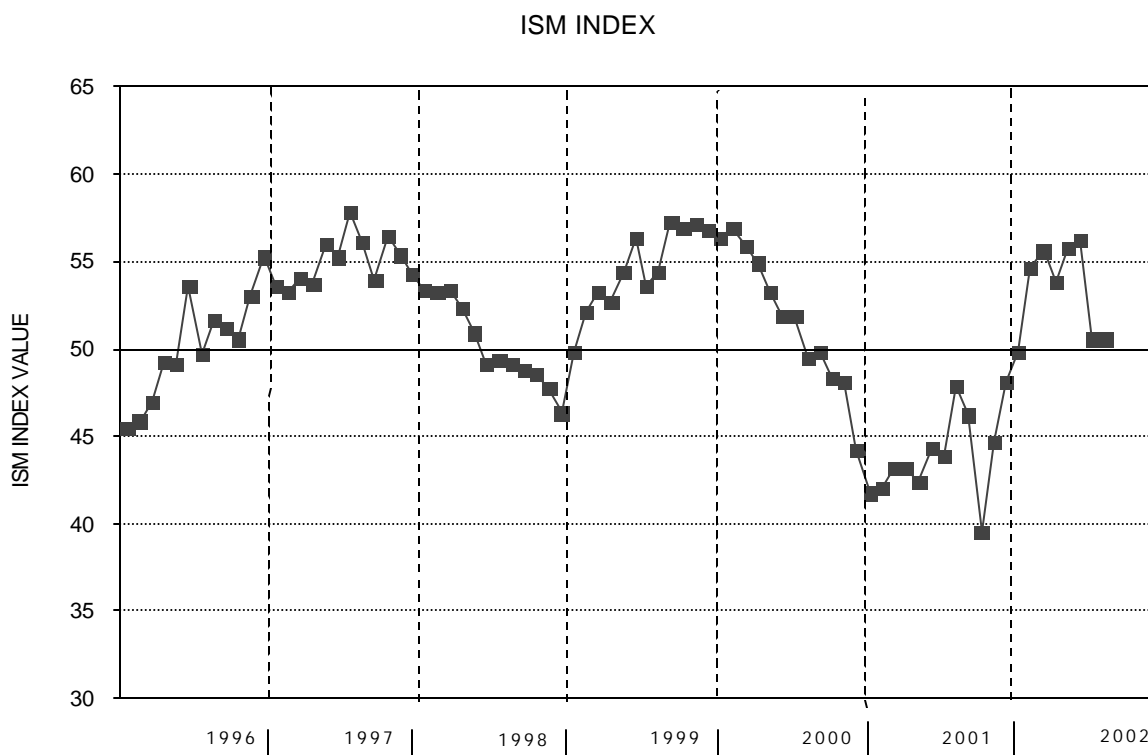
### Institute for Supply Management's Purchasing Managers' Index (PMI)

The Institute for Supply Management (formerly the National Association of Purchasing Management) reported its seventh consecutive month of growth in manufacturing activity for the month of August. The Purchasing Managers' Index remained at 50.5 percent, indicating continuing manufacturing growth at the same pace as July. "Putting the year in perspective, we now have seven consecutive months of modest growth. August's PMI, at 50.5 percent, indicates that manufacturing improved when compared to July," reported Norbert J. Ore, C.P.M., chair of the Institute for Supply Management's Manufacturing Business Survey Committee.

The 50 percent mark is generally interpreted as the dividing line between growth and contraction in the manufacturing sector. An index in excess of 42.7 percent, over a period of time, indicates that the **overall** economy is expanding and under 42.7 percent that it is declining. According to the index, the overall economy grew for the tenth consecutive month in August.

The Purchasing Managers' Index is based on a survey of 300 purchasing officials in a variety of manufacturing industries and gauges improvement or decline in areas such as employment, production, inventory, and new orders. In contrast to the Conference Board's Leading and Coincident Indices, which monitor broad-based economic activity, the Purchasing Managers' Index is more narrowly focussed on the manufacturing sector, a sector of particular importance to Arkansas.

The chart below tracks performance of the Purchasing Managers' Index since January 1996.



## Labor Force Statistics, Arkansas and the U.S.

The U.S. Bureau of Labor Statistics reported that total nonagricultural employment in the nation was little changed in August. It increased by 39,000 to a level of 130.8 million, seasonally adjusted. Manufacturing employment losses, which had moderated since the beginning of the year, fell by 68,000. Job losses were widespread throughout the sector. Half of the government employment increase of 41,000 was in federal government, mostly reflecting increased federal security at airports. Help supply services accounted for half of the 100,000 gain in services employment. Retail employment fell 55,000. Employment in construction increased by 34,000. The national unemployment rate in August fell to 5.7 percent from 5.9 percent the previous month.

In Arkansas, the Employment Security Department reported that nonagricultural employment (not seasonally adjusted) rose 6,800 to a level of 1,146,600 in August. The gain was primarily attributable to staffing at schools for the fall semester and is reflected in the government employment increase of 4,800 jobs. Restaurants accounted for half of the monthly gain of 800 in trade employment. The bulk of the 2,100 job gain in services occurred in business services. Employment in construction was flat. Manufacturing employment fell by 1,100. ESD also reported the State's seasonally adjusted unemployment rate fell in August to 5.0 percent from 5.2 percent.

The table below shows the employment changes for the major sectors. Since August 2001, employment has fallen by 5,600, or 0.5 percent. The largest over-the-year gain of 3,500 occurred in transportation and public utilities with trucking accounting for most of the gain. The largest percentage gain over the previous year also occurred in transportation and public utilities with 4.8 percent, followed by construction with 2.7 percent. Services employment fell by 600, attributable primarily to the slowdown in help supply services. Trade employment fell by 1,100 as a small gain in retail was more than offset by losses in wholesale. Employment in manufacturing fell by 11,800 as twelve of fourteen industries experienced losses. Banks and savings institutions accounted for half of the gain in finance/insurance/real estate. Local education was responsible for 91 percent of the additional 2,300 government jobs.

ARKANSAS NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT,  
BY INDUSTRIAL SECTOR

	AUG. 2002	JULY 2002	AUG. 2001	CHANGE SINCE:			
				LAST MONTH		LAST YEAR	
				N	%	N	%
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (1000s)	1146.6	1139.8	1152.2	6.8	0.6	-5.6	-0.5
MINING	3.9	4.0	4.1	-0.1	-2.5	-0.2	-4.9
CONSTRUCTION	57.3	57.3	55.8	0.0	0.0	1.5	2.7
MANUFACTURING	227.5	228.6	239.3	-1.1	-0.5	-11.8	-4.9
DURABLE GOODS	118.3	119.2	125.7	-0.9	-0.8	-7.4	-5.9
NONDURABLE GOODS	109.2	109.4	113.6	-0.2	-0.2	-4.4	-3.9
FOOD & KIND. PRODS.	56.6	57.1	57.4	-0.5	-0.9	-0.8	-1.4
TRANSP. & PUB. UTILS.	76.2	75.9	72.7	0.3	0.4	3.5	4.8
TRADE	267.2	266.4	268.3	0.8	0.3	-1.1	-0.4
FIN./INS./REAL EST.	47.2	47.2	46.4	0.0	0.0	0.8	1.7
SERVICES	282.6	280.5	283.2	2.1	0.7	-0.6	-0.2
GOVERNMENT	184.7	179.9	182.4	4.8	2.7	2.3	1.3

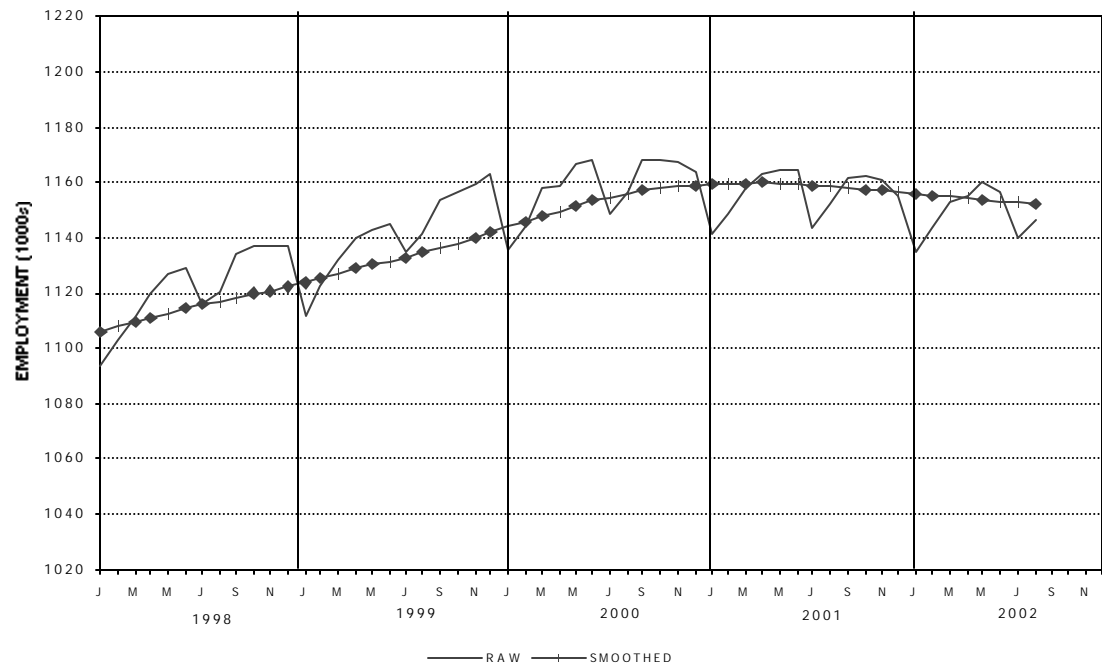
SOURCE: Arkansas Employment Security Department.

The graphs on the next page place Arkansas' employment growth patterns in a somewhat longer historical context. The upper graph shows the absolute level of nonagricultural employment in the state since January of 1997. The "raw" or unadjusted data show the seasonality of employment in the state, with sharp drops in employment occurring in January and July, while the "smoothed" data (12-month moving averages) reveal the underlying trends in employment.

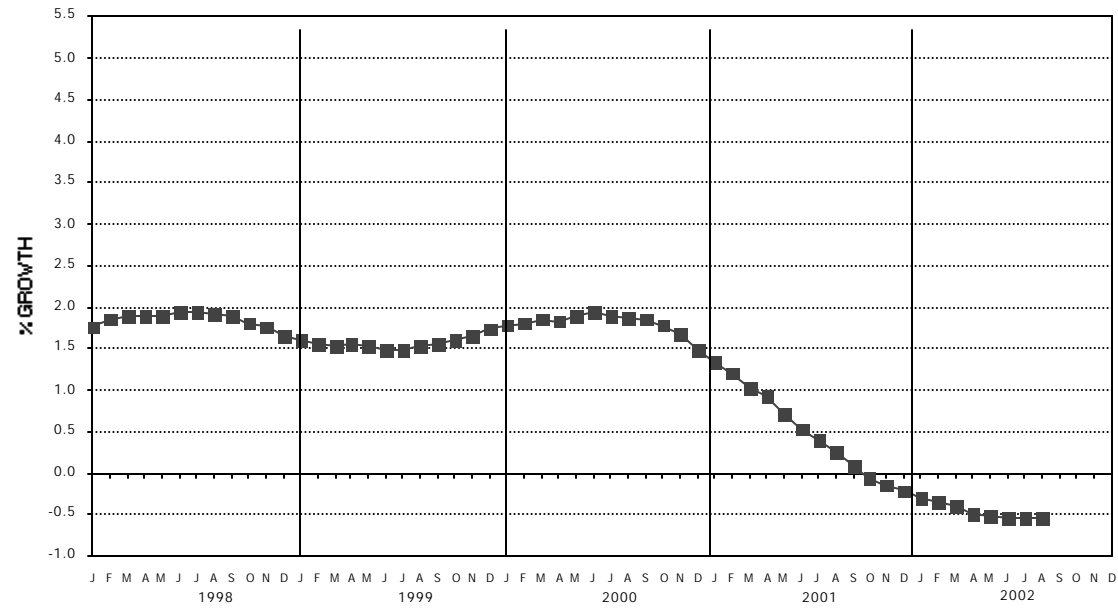
Underlying growth trends are portrayed even more clearly in the lower graph, which gives the percentage increase in employment over a 12-month period, based on the smoothed data shown above. After accounting for some seasonal factors, the annualized rate of employment growth in the state was -0.5 percent in August 2002.

**The data in these two graphs reflect the benchmark revisions made by ESD and BLS in January 2002 to the employment data for 2000 and 2001.**

ARKANSAS' NONAGRICULTURAL EMPLOYMENT



ARKANSAS' 12-MONTH EMPLOYMENT GROWTH  
(BASED ON SMOOTHED DATA)



The table below places Arkansas' employment growth in comparative national perspective. For the 12-month period ending in July 2002, Arkansas' employment rate of decline of 0.5 percent ranked 24th in the nation. Over the same 12-month period, employment in the nation as a whole fell by 0.9 percent.

TOTAL NONAGRICULTURAL JOB GROWTH FOR THE U.S. AND STATES:  
12 MONTHS ENDING JULY 2002 VS. 12 MONTHS ENDING JULY 2001

State	Rank July 2002	Percent Change	Rank July 2001	Thousands of Jobs		
				Job Growth	July 2002	July 2001
Wyoming.....	1	2.0	7	4.7	247.5	242.8
Alaska.....	2	1.6	11	4.6	291.7	287.1
Nevada.....	3	1.0	1	10.6	1,059.8	1,049.1
New Mexico.....	4	0.8	10	6.3	759.9	753.6
Oklahoma.....	5	0.8	15	11.5	1,515.6	1,504.1
Kansas.....	6	0.8	28	10.1	1,362.0	1,351.8
Montana.....	7	0.8	23	2.9	393.2	390.3
Louisiana.....	8	0.4	34	8.3	1,932.3	1,924.0
North Dakota.....	9	0.4	30	1.4	330.5	329.1
Idaho.....	10	0.3	4	1.9	569.0	567.1
Maine.....	11	0.3	18	1.9	609.7	607.8
Rhode Island.....	12	0.3	24	1.3	480.3	478.9
Florida.....	13	0.2	2	16.5	7,195.1	7,178.6
Nebraska.....	14	0.2	31	1.3	910.5	909.1
South Dakota.....	15	0.1	39	0.4	379.1	378.6
Kentucky.....	16	0.0	40	0.2	1,821.8	1,821.6
California.....	17	0.0	5	-1.9	14,673.7	14,675.6
New Jersey.....	18	-0.2	19	-6.1	4,014.7	4,020.8
Maryland.....	19	-0.3	17	-6.5	2,460.8	2,467.4
New Hampshire.....	20	-0.4	13	-2.1	625.7	627.8
Wisconsin.....	21	-0.4	33	-11.7	2,822.0	2,833.8
West Virginia.....	22	-0.5	35	-3.2	732.8	736.1
Tennessee.....	23	-0.5	42	-12.9	2,708.3	2,721.3
<b>Arkansas.....</b>	<b>24</b>	<b>-0.5</b>	<b>37</b>	<b>-6.2</b>	<b>1,152.7</b>	<b>1,158.9</b>
Texas.....	25	-0.7	8	-67.3	9,458.9	9,526.3
Arizona.....	26	-0.7	6	-16.3	2,250.9	2,267.2
South Carolina.....	27	-0.8	48	-14.1	1,829.7	1,843.8
Iowa.....	28	-0.8	43	-11.8	1,463.4	1,475.3
Utah.....	29	-0.8	16	-8.9	1,074.9	1,083.9
Delaware.....	30	-0.8	32	-3.5	417.2	420.7
Pennsylvania.....	31	-0.9	26	-48.6	5,664.3	5,712.9
Mississippi.....	32	-0.9	50	-9.8	1,131.2	1,141.1
UNITED STATES.....		-0.9		-1,150.5	131,043.1	132,193.7
Connecticut.....	33	-0.9	38	-15.1	1,675.5	1,690.6
North Carolina.....	34	-1.0	41	-38.2	3,884.7	3,922.9
Vermont.....	35	-1.0	22	-3.0	296.8	299.9
Alabama.....	36	-1.0	45	-20.0	1,903.1	1,923.1
Virginia.....	37	-1.1	12	-37.3	3,505.1	3,542.5
Hawaii.....	38	-1.1	9	-6.1	550.0	556.1
Minnesota.....	39	-1.1	21	-30.1	2,658.1	2,688.2
New York.....	40	-1.1	25	-98.3	8,568.5	8,666.8
Ohio.....	41	-1.1	46	-64.0	5,534.6	5,598.6
Massachusetts.....	42	-1.3	14	-42.7	3,306.5	3,349.2
Illinois.....	43	-1.5	36	-87.3	5,954.2	6,041.6
Colorado.....	44	-1.5	3	-33.8	2,205.8	2,239.6
Michigan.....	45	-1.6	47	-71.6	4,559.9	4,631.6
Missouri.....	46	-1.6	44	-44.0	2,701.8	2,745.9
Oregon.....	47	-1.7	29	-27.1	1,582.0	1,609.1
Indiana.....	48	-1.7	49	-50.7	2,914.1	2,964.9
Georgia.....	49	-1.9	20	-75.4	3,898.5	3,973.9
Washington.....	50	-2.0	27	-55.5	2,662.1	2,717.7

SOURCE: Arizona State University's Economic Outlook Center and the U.S. Bureau of Labor Statistics

# INITIAL FORECAST

# FISCAL YEAR 2003 - OFFICIAL FORECAST

## STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
General Education	\$1,654,121,514	\$28,878,556	\$6,500,000	\$8,266,000	\$1,697,766,070	\$1,588,868,206
Workforce Education	21,568,311	1,184	2,000,000	1,346,556	24,916,051	20,717,464
<b>TOTAL - PUBLIC SCHOOL FUND</b>	<b>\$1,675,689,825</b>	<b>\$28,879,740</b>	<b>\$8,500,000</b>	<b>\$9,612,556</b>	<b>\$1,722,682,121</b>	<b>\$1,609,585,671</b>
<b>GENERAL EDUCATION FUND</b>						
Dept. of Education	\$12,563,430	\$267,899		\$1,085,859	\$13,917,188	\$12,067,816
Educational Television	4,154,371	79,156		150,000	4,383,527	3,990,486
School for the Blind	4,775,910	92,685		100,000	4,968,595	4,587,506
School for the Deaf	8,075,576	160,225		200,000	8,435,801	7,757,003
State Library	2,962,429	45,011		106,000	3,113,440	2,845,564
Dept. of Workforce Education	2,929,070	79,040		201,140	3,209,250	2,813,521
Rehabilitation Services	12,056,201	138,630			12,194,831	11,580,597
<b>Subtotal - General Education</b>	<b>\$47,516,987</b>	<b>\$862,646</b>	<b>\$0</b>	<b>\$1,842,999</b>	<b>\$50,222,632</b>	<b>\$45,642,493</b>
<b>Technical Institutes:</b>						
Arkansas Valley TI	\$2,200,925	\$51,488		\$115,000	\$2,367,413	\$2,114,101
CottonBoll TI	2,199,163	49,355		114,000	2,362,518	2,112,408
Crowley's Ridge TI	2,302,081	55,183		120,000	2,477,264	2,211,266
Delta TI	2,153,060	52,680		100,000	2,305,740	2,068,124
Foothills TI	2,101,386	63,250		110,000	2,274,636	2,018,489
Forest Echoes TI	1,053,276	28,179		55,000	1,136,455	1,011,725
Great Rivers TI	1,315,198	36,976		100,000	1,452,174	1,263,315
Northwest TI	2,668,175	68,401		130,000	2,866,576	2,562,918
Quapaw TI	2,033,977	57,643		170,000	2,261,620	1,953,739
Riverside VTS	2,040,065	48,207		100,000	2,188,272	1,959,587
<b>Subtotal - Technical Inst.'s</b>	<b>\$20,067,306</b>	<b>\$511,362</b>	<b>\$0</b>	<b>\$1,114,000</b>	<b>\$21,692,668</b>	<b>\$19,275,672</b>
<b>TOTAL GENERAL ED. FUND</b>	<b>\$67,584,293</b>	<b>\$1,374,008</b>	<b>\$0</b>	<b>\$2,956,999</b>	<b>\$71,915,300</b>	<b>\$64,918,166</b>
<b>HUMAN SERVICES FUND</b>						
DHS-Administration	\$14,351,869	\$251,909		\$3,560,921	\$18,164,699	\$13,785,703
Aging and Adult Services	11,038,014			609,499	11,647,513	10,602,576
Children & Family Services	39,633,172			1,218,289	40,851,461	38,069,686
Child Care/Early Childhood Ed.	549,349	10,791		26,093	586,233	527,678
Youth Services	42,781,686			1,992,906	44,774,592	41,093,995
Devel. Disab. Services	43,127,587		767,399	1,219,570	45,114,556	41,426,250
Medical Services	4,761,982	43,237		223,842	5,029,061	4,574,127
DHS-Grants	409,307,854	29,461,202	12,232,601		451,001,657	393,161,101
Mental Health Services	53,068,151			2,577,787	55,645,938	50,974,670
Services for the Blind	1,843,145	13,698		86,498	1,943,341	1,770,435
County Operations	40,905,591	101,492		2,364,195	43,371,278	39,291,910
Indigent Care - UAMS					0	0
<b>TOTAL HUMAN SERVICES FUND</b>	<b>\$661,368,400</b>	<b>\$29,882,329</b>	<b>\$13,000,000</b>	<b>\$13,879,600</b>	<b>\$718,130,329</b>	<b>\$635,278,131</b>



**INITIAL FORECAST**

**FISCAL YEAR 2003 - OFFICIAL FORECAST**

**STATE GENERAL REVENUE**

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
<b>STATE GENERAL GOV'T FUND</b>						
Dept. of Ark. Heritage	\$4,514,407	\$80,666		\$678,289	\$5,273,362	\$4,336,319
Dept. of Labor	2,483,300	53,386		133,510	2,670,196	2,385,336
Dept. of Higher Education	2,856,540	56,747		262,394	3,175,681	2,743,853
Dept. of H.E.-Grants	34,193,511	3,825,000			38,018,511	32,844,614
Dept. of Economic Development	9,926,681	107,462		485,294	10,519,437	9,535,084
Dept. of Correction	190,345,887	2,754,939	6,800,000		199,900,826	182,836,947
Dept. of Community Correction	31,100,647	599,306	800,000		32,499,953	29,873,760
Livestock & Poultry Commission	3,614,973	94,162		175,000	3,884,135	3,472,366
State Military Department	8,273,134	167,107		330,000	8,770,241	7,946,768
Dept. of Parks & Tourism	20,164,481	452,961		775,556	21,392,998	19,369,014
Dept. of Environmental Quality	3,715,018	82,832		150,000	3,947,850	3,568,465
State General Services	38,110,970	178,173	1,032,350	2,514,687	41,836,180	36,607,533
<b>TOTAL STATE GENERAL GOV'T</b>	<b>\$349,299,549</b>	<b>\$8,452,741</b>	<b>\$8,632,350</b>	<b>\$5,504,730</b>	<b>\$371,889,370</b>	<b>\$335,520,059</b>
<b>OTHER FUNDS</b>						
County Aid	\$20,552,313			\$1,000,000	\$21,552,313	\$19,741,546
Crime Information Center	3,533,345	54,347		150,000	3,737,692	3,393,958
EMS Enhancement Revolving					0	0
Forestry Commission	5,989,036	259,937	200,000	128,893	6,577,866	5,752,775
Merit Adjustment Fund				2,860,000	2,860,000	0
Motor Vehicle Acquisition	1,000,000			1,000,000	2,000,000	960,551
Municipal Aid	28,636,193			1,500,000	30,136,193	27,506,526
Dept. of Health	51,724,338	1,131,866	1,500,000	1,734,562	56,090,766	49,683,869
State Central Services			5,000,000		5,000,000	0
State Police	42,968,949	1,376,401	1,000,000	1,333,966	46,679,316	41,273,870
Plant Board Fund	2,330,249	45,167		100,000	2,475,416	2,238,323
Breast Cancer Research					0	0
Breast Cancer Control					0	0
<b>TOTAL OTHER FUNDS</b>	<b>\$156,734,423</b>	<b>\$2,867,718</b>	<b>\$7,700,000</b>	<b>\$9,807,421</b>	<b>\$177,109,562</b>	<b>\$150,551,419</b>

# INITIAL FORECAST

# FISCAL YEAR 2003 - OFFICIAL FORECAST

## STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
<b>INST'S OF HIGHER EDUCATION</b>						
<b>Four Year Institutions:</b>						
Arkansas State University	\$46,561,444	\$1,096,148			\$47,657,592	\$44,724,645
Arkansas Tech University	19,787,029	364,764			20,151,793	19,006,452
Henderson State University	15,948,951	455,836			16,404,787	15,319,782
Southern Arkansas University	12,476,586	213,044			12,689,630	11,984,398
UA-Fayetteville	94,629,965	1,980,079			96,610,044	90,896,915
UA - Archeological Survey	1,741,026	37,885			1,778,911	1,672,344
UA - Agriculture	50,333,331	1,292,838			51,626,169	48,347,735
UA - Criminal Justice Institute	1,563,179	423,440		1,186,618	3,173,237	1,501,513
UA-Little Rock	44,343,262	5,303,565			49,646,827	42,593,968
UA-Medical Sciences	65,128,479	1,321,212			66,449,691	62,559,231
UAMS - AHEC	2,300,000				2,300,000	2,209,267
UAMS - Indigent Care	4,934,708				4,934,708	4,740,039
UA-Monticello	10,393,863	657,084			11,050,947	9,983,836
UA-Pine Bluff	18,738,278	1,095,880			19,834,158	17,999,073
University of Central Arkansas	39,071,903	713,526			39,785,429	37,530,559
<b>Sub-Total Four Year</b>	<b>\$427,952,004</b>	<b>\$14,955,301</b>	<b>\$0</b>	<b>\$1,186,618</b>	<b>\$444,093,923</b>	<b>\$411,069,760</b>
<b>Two Year Institutions:</b>						
Arkansas State University - Beebe	\$7,772,635	\$527,787			\$8,300,422	7,466,013
Arkansas State Univ.-Mountain Home	2,511,156	63,071			2,574,227	2,412,094
Arkansas State University - Newport	2,069,280	49,725			2,119,005	1,987,649
East Arkansas Cmty. College	5,299,408	80,164			5,379,572	5,090,352
Garland County Cmty. College	5,676,826	120,474			5,797,300	5,452,881
Mid-South Cmty. College	2,691,103	58,226			2,749,329	2,584,942
Mississippi County Cmty. College	5,561,920	117,549			5,679,469	5,342,508
North Arkansas College	7,065,721	322,485			7,388,206	6,786,986
NorthWest Arkansas Cmty. College	6,072,903	202,192			6,275,095	5,833,334
Phillips Cmty. College of the UA	8,100,972	113,253			8,214,225	7,781,397
Rich Mountain Cmty. College	2,764,812	43,327			2,808,139	2,655,743
Southern Ark. University - Tech	6,215,814	86,766			6,302,580	5,970,607
South Arkansas Cmty. College	5,335,720	75,319			5,411,039	5,125,232
U of A - Cmty. College at Batesville	2,914,706	60,694			2,975,400	2,799,724
U of A - Cmty. College at Hope	3,674,161	85,008			3,759,169	3,529,219
Westark	15,468,639	324,952			15,793,591	14,858,418
<b>Sub-Total Two Year</b>	<b>\$89,195,776</b>	<b>\$2,330,992</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,526,768</b>	<b>\$85,677,099</b>

# INITIAL FORECAST

# FISCAL YEAR 2003 - OFFICIAL FORECAST

## STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
<b>Technical Colleges:</b>						
Black River	\$4,679,606	\$83,089			\$4,762,695	4,495,001
Cossatot	2,382,000	48,811			2,430,811	2,288,033
Ouachita	2,540,172	54,296			2,594,468	2,439,965
Ozarka	2,177,727	51,919			2,229,646	2,091,818
Petit Jean	3,437,153	90,676			3,527,829	3,301,561
Pulaski	6,595,166	265,720			6,860,886	6,334,994
Southeast Arkansas College	4,110,479	116,087			4,226,566	3,948,325
<b>Sub-Total Technical Colleges</b>	<b>\$25,922,303</b>	<b>\$710,598</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,632,901</b>	<b>\$24,899,696</b>
<b>TOTAL INST'S OF HIGHER ED.</b>	<b>\$543,070,083</b>	<b>\$17,996,891</b>	<b>\$0</b>	<b>\$1,186,618</b>	<b>\$562,253,592</b>	<b>\$521,646,555</b>
<b>GRAND TOTAL</b>	<b>\$3,453,746,573</b>	<b>\$89,453,427</b>	<b>\$37,832,350</b>	<b>\$42,947,924</b>	<b>\$3,623,980,274</b>	<b>\$3,317,500,000</b>

Prepared by DFA-Office of Budget4/18/02

**EDUCATIONAL EXCELLENCE TRUST FUND**  
**OFFICIAL FORECAST**  
**FISCAL YEAR 2003**  
**Revised August 14, 2002**

<b>FUND ACCOUNT</b>	<b>FY03 ORIGINAL FORECAST</b>	<b>FY03 REVISED FORECAST</b>	<b>DIFFERENCE</b>
<b>DEPT. OF EDUCATION PUBLIC SCHOOL FUND:</b>	<u>\$161,726,687</u>	<u>\$159,701,677</u>	<u>(\$2,025,010)</u>
<b>WORKFORCE EDUCATION PUBLIC SCHOOL FUND:</b>	<u>\$9,505,778</u>	<u>\$9,417,772</u>	<u>(\$88,006)</u>
<b>DEPARTMENT OF EDUCATION FUND ACCOUNT:</b>	<u>\$761,916</u>	<u>\$754,861</u>	<u>(\$7,055)</u>
<b>DEPARTMENT OF WORKFORCE EDUCATION FUND:</b>	<u>\$2,852,870</u>	<u>\$2,826,457</u>	<u>(\$26,413)</u>
<b>HIGHER EDUCATION GRANTS FUND ACCT:</b>	<u>\$10,486,213</u>	<u>\$10,389,130</u>	<u>(\$97,083)</u>
<b>INSTITUTIONS OF HIGHER EDUCATION:</b>			
Four Year Institutions:			
Arkansas State University	\$4,791,520	\$4,747,159	(\$44,361)
Arkansas Tech University	1,606,150	1,591,280	(14,870)
Henderson State University	1,661,486	1,646,104	(15,382)
Southern Arkansas University	982,307	973,213	(9,094)
UA - Fayetteville	7,485,902	7,416,558	(69,344)
UAF - Archeological Survey	103,442	102,484	(958)
UAF - Agricultural Experiment Station	2,389,877	2,367,739	(22,138)
UAF - Cooperative Extension Service	1,910,712	1,893,013	(17,699)
UA - Little Rock	4,219,356	4,180,292	(39,064)
UA Medical Center	7,264,903	7,197,643	(67,260)
UAMS - Indigent Care	180,779	179,105	(1,674)
UA - Monticello	847,762	839,913	(7,849)
UA - Pine Bluff	1,471,697	1,458,072	(13,625)
University of Central Arkansas	3,656,633	3,622,779	(33,854)
Two Year Institutions:		-	
ASU - Beebe	1,143,168	1,132,584	(10,584)
East Arkansas Comm College	598,248	592,710	(5,538)
Garland County Comm College	894,764	886,480	(8,284)
Mississippi County Comm College	573,070	567,764	(5,306)
North Arkansas College	353,318	350,047	(3,271)
Northwest Ark Community College	790,741	783,420	(7,321)
Phillips Community College - U of A	582,612	577,219	(5,393)
Rich Mountain Comm College	157,916	156,454	(1,462)
SAU - Tech	256,470	254,096	(2,374)
South Arkansas Comm College	409,159	405,371	(3,788)
UA - Fort Smith (Westark)	<u>2,434,544</u>	<u>2,412,005</u>	<u>(22,539)</u>
<b>TOTAL INSTITUTIONS OF HIGHER EDUCATION</b>	<b>\$ 46,766,536</b>	<b>\$ 46,333,501</b>	<b>\$ (433,035)</b>
<b>GRAND TOTAL</b>	<b><u>\$ 232,100,000</u></b>	<b><u>\$229,423,398</u></b>	<b><u>\$ (2,676,602)</u></b>

August 14, 2002

## FINANCIAL INFORMATION SOURCES STATE OF ARKANSAS

### FINANCIAL ORGANIZATIONS AND MANAGEMENT

The following state organizations share responsibility for statewide financial management: The General Assembly, the Office of the Budget and the Office of Accounting of the Department of Finance and Administration, the Governor, the Treasurer, and the Division of Legislative Audit.

The General Assembly has responsibility for legislating the level of state services and appropriating the funds for operations of state agencies. The Office of Budget prepares the Executive Budget with the advice and consent of the Governor. The Office of Budget also monitors the level and type of state expenditures. The Accounting Division has the responsibility for maintaining fund and appropriation control and, through the Pre-audit Section and in conjunction with the State Treasurer, has responsibility for the disbursement process. The Treasurer has responsibility for disbursement, bank reconciliation, and investment of state funds (with the advice of the State Board of Finance). The Division of Legislative Audit has responsibility for performing financial post-audits of state agencies.

### BUDGET AND APPROPRIATION PROCESS

State agencies submit biennial budget requests to the Office of Budget of the Department of Finance and Administration. The Office of Budget prepares the Executive Budget based on estimates of general revenues as prepared by the Office of Economic Analysis and Tax Research of DFA. The Executive Budget contains the budget amount recommended by the Governor.

The General Assembly appropriates money after consideration of both the Executive Budget and the revenue estimate. The appropriation process begins in the joint House-Senate Budget Committee and then proceeds through both houses of the General Assembly. Legislative appropriations are subject to the Governor's approval or veto, including the authority of line-item veto.

The General Assembly also must amend the Revenue Stabilization Act to provide for an allotment process of funding appropriations in order to comply with state law prohibiting deficit spending. The Governor may restrict spending below the level of appropriations.

### REVENUE STABILIZATION LAW

Act 750 of 1973, as amended, established the State's Revenue Stabilization Law. This law and related legislation govern the administration and distribution of State revenues.

Pursuant to the Stabilization Law, all general and special revenues are deposited into the General Revenue Allotment Account and the Special Revenue Allotment Account according to the type of revenue being deposited. From the General Revenues Fund, 3% of all general revenues are first

distributed to the Constitutional Officers Fund and the Central Services Fund to provide support for the States' elected officials and their staffs and the Department of Finance and Administration.

The balance is then distributed to separate funds proportionately as established by the Stabilization Law. From the Special Revenue Fund, 3% of all special revenues collected by DFA and 1.5% of all special revenues collected by other agencies are first distributed to provide support for the State's elected officials, their staffs, and DFA. The balance is then distributed to the funds for which the special revenues were collected.

Special revenues, which are primarily user taxes, are generally earmarked for the program or agency providing the related services.

General revenues are transformed into funds established and maintained by the Treasurer for major programs and agencies of the state in accordance with fund priorities established by the General Assembly.

According to the Stabilization Law, the General Assembly establishes three levels of priority for general revenue spending, levels "A", "B", and "C". Successive levels of appropriations are funded only in the event sufficient revenues have been generated to fully fund any prior level. Accordingly, appropriations made to programs and agencies are only maximum authorizations to spend. Actual expenditures are limited to the lesser of (1) moneys flowing into a program or agencies' fund maintained by the Treasurer or (2) the maximum appropriation by the General Assembly.

Because state revenues are not collected throughout the year in a pattern consistent with program and agency expenditures, a budget revolving fund, which receives interest earnings for State fund investments, has been established and is utilized to assure proper cash flow during any period.

For more detailed information, please see:

- State of Arkansas, Biennial Budget, prepared by the Office of Budget, DFA.
- Annual Financial Report, prepared by the Office of Accounting, DFA.
- State of Arkansas, Biennial Report, prepared by the Treasurer of the State.
- Arkansas Legislative Tax Handbook, prepared by the Arkansas Legislative Council.
- Selected Statistical Financial Data for Arkansas (referred to as the A & B Books), prepared by the Arkansas Legislative Council.

**STATE OF ARKANSAS**  
**Special Revenues Monthly and Year to Date Collections**  
For Month Ending August 31, 2002

Taxes, Fees, Licenses & Permits	Current Month				Year to Date			
	August 2001	August 2002	Increase/Decrease Amount	Percent	August 2001	August 2002	Increase/Decrease Amount	Percent
Conservation Tax Act Act 156/97	4,011,268.33	4,094,694.46	83,426.13	2.08%	8,004,286.64	8,253,408.18	249,121.54	3.11%
Corporate Income Tax Est. Act 1052/91	1,134,966.47	999,398.97	(135,567.50)	-11.94%	2,278,155.13	1,998,797.94	(279,357.19)	-12.26%
Estate Tax Act 590/93	302,870.28	27,696,434.17	27,393,563.89	9044.65%	302,870.28	29,000,554.63	28,697,684.35	9475.24%
Motor Fuel Tax Act 445/73	1,740,515.17	1,796,013.62	55,498.45	3.19%	3,439,410.19	3,482,983.74	43,573.55	1.27%
Gasoline Tax	34,406,699.82	35,562,929.01	1,156,229.19	3.36%	67,185,632.63	68,930,793.47	1,745,160.84	2.60%
Real Estate Transfer Tax Act 729/87	1,707,627.90	1,454,815.94	(252,811.96)	-14.80%	3,097,001.02	3,156,593.33	59,592.31	1.92%
Motor Fuel Tax Act 437/79	1,751,652.17	1,796,013.62	44,361.45	2.53%	3,450,547.19	3,482,983.74	32,436.55	0.94%
Rice Assessment Act 725/85	115,178.26	154,180.58	39,002.32	33.86%	261,717.13	292,800.01	31,082.88	11.88%
Auto License Fees	9,339,761.27	14,219,430.84	4,879,669.57	52.25%	19,446,928.30	29,719,003.32	10,272,075.02	52.82%
Pollution control Permit Fees Act 817/83	605,728.01	457,291.20	(148,436.81)	-24.51%	908,331.09	934,336.90	26,005.81	2.86%
Waste Mgmt. Recycle Act 849/89	751,397.62	595,746.04	(155,651.58)	-20.71%	1,647,385.36	1,298,596.34	(348,789.02)	-21.17%
Utility Assessment	0.00	0.00	0.00	0.00%	8,315,288.00	7,123,873.05	(1,191,414.95)	-14.33%
Insurance Dept. Fees Act 652/93	(1,950,244.75)	2,120,010.00	4,070,254.75	-208.70%	359,376.77	4,895,493.55	4,536,116.78	1262.22%
Game Protection Fees	925,739.91	883,651.11	(42,088.80)	-4.55%	1,923,806.33	2,151,183.65	227,377.32	11.82%
Overload Permits	605,256.51	576,222.41	(29,034.10)	-4.80%	1,244,522.66	1,163,534.14	(80,988.52)	-6.51%
Property Tax Relief	15,872,238.58	16,263,785.85	391,547.27	2.47%	31,571,667.66	32,446,067.33	874,399.67	2.77%
All other taxes, fees, permits & licenses	10,778,463.17	10,849,425.57	70,962.40	0.66%	19,203,925.03	21,836,680.82	2,632,755.79	13.71%
<b>TOTAL</b>	<b>82,099,118.72</b>	<b>119,520,043.39</b>	<b>37,420,924.67</b>	<b>45.58%</b>	<b>172,640,851.41</b>	<b>220,167,684.14</b>	<b>47,526,832.73</b>	<b>27.53%</b>

**DEPARTMENT OF FINANCE & ADMINISTRATION  
DIVISION OF REVENUE**

P.O. Box 1272  
Little Rock, AR 72203  
(501) 682-7000

Commissioner of Revenue.....Tim Leathers  
Assistant Commissioner for Operations & Administration .....Preston Means  
Assistant Commissioner for Policy & Legal.....John Theis

Taxpayer Assistance Office ..... 682-7751  
Office of Motor Vehicle..... 682-4630  
Office of Excise Tax Administration..... 682-7200  
Office of Income Tax Administration..... 682-1130

*Arkansas State Revenue Tax Quarterly*, a quarterly newsletter, is published by the Revenue Division. For more information, contact the Taxpayer Assistance Office.

The Department of Finance and Administration has a home page on the World Wide Web. The page contains several tax forms and useful information. The address is <http://www.accessarkansas.org/dfa/>. In addition, the Office of Economic Analysis and Tax Research posts this publication, *Arkansas Fiscal Notes*, on the DFA web site. The address is [http://www.accessarkansas.org/dfa/revenues\\_budgets.html](http://www.accessarkansas.org/dfa/revenues_budgets.html).

**STATEMENT OF GROSS TAX COLLECTIONS  
GENERAL, SPECIAL, AND TRUST REVENUES**

The statement of gross tax collections on the following pages reports only general and special revenues collected by the Revenue Division of the Department of Finance and Administration. Insurance premium taxes are collected by the Insurance Department and the corporate franchise tax by the Office of Secretary of State. The revenues from these two taxes are reported in Tables A and B. In addition to these two offices, general revenues are also collected by other offices, agencies, and commissions, such as the State Auditor, State Securities Board, et al., and are summarized under "Miscellaneous" collections in Tables A and B. A detailed listing of these revenue sources can be found in the *Arkansas Revenue Report* published monthly by the Bureau of Legislative Research, Office of Tax and Economic Policy (tel # 682-1937).

Additionally, the "Gross Receipts" reported on this statement includes sales tax, use tax, beverage excise tax, 10% mixed drink tax, and the gross receipts tax permit.

August 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION  
REVENUE DIVISION  
LITTLE ROCK, ARKANSAS  
STATEMENT OF GROSS TAX COLLECTIONS**

Page 1 of 7  
C1L003  
**(ON FISCAL YEAR BASIS)**

<b>Special Revenues</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
101	Auto License Fees:	14,711,821.61	9,327,465.84	29,741,040.08	19,433,815.72
102	Auto Title Transfer	337,652.00	340,828.00	674,748.00	637,840.00
103	Auto Intransit Fees:	18.00	33.00	33.00	51.00
104	Drive Out License:	1,440.00	1,552.00	2,918.00	3,124.00
105	Mtr.Vehicle Trip Permits:	27,051.69	13,715.17	50,976.69	17,490.00
106	Transfer Building Fund:	.00	.00	.00	.00
107	Drivers Test Fee 782 Of 91:	72,736.00	72,325.65	150,424.00	130,817.81
108	Commerical Driver License Fund Act 241:	59,003.01	65,673.88	110,985.26	122,835.04
109	Boat Registration:	82,499.25	54,692.55	215,899.05	126,624.16
110	Cotton Trailer Reg. Act 68 Of 92:	5,963.00	6,166.00	11,277.00	10,624.00
111	Commerical Driver License Test Act 241/198:	43,331.00	58,520.77	79,442.92	106,093.32
112	Commerical Driver License Test Act 241/1989:	110,480.40	111,518.28	232,146.04	227,327.59
113	Special Driver Fees:	162,549.83	164,858.82	325,419.96	313,486.84
114	Driver Search Fees:	583,831.60	595,540.72	1,227,586.96	1,208,152.41
115	DWI Act 918/1983 (Hwy. Safe):	.00	453.97	.00	935.10
116	DWI Act 918/1983 (Alc & Drug):	.00	91.01	.00	187.46
117	Add Court Cost (Hwy Safe 1/2):	.00	.00	.00	.00
118	Add Court Cost (Alc Drug 1/2):	.00	.00	.00	.00
119	Add'l Court Cost Act #185:	.00	12.17	.00	674.91
120	Crime Victims Reparation:	.00	866.27	.00	1,782.51
121	Motor Fuel Tax:	35,454,635.58	33,847,610.02	68,331,975.66	66,382,526.15
122	Motor Fuel Act #445:	1,796,013.62	1,740,515.17	3,482,983.74	3,439,410.19
123	Motor Fuel Act #437:	1,796,013.62	1,740,515.17	3,482,983.74	3,439,410.19
124	Public School Act 210/93:	.00	.00	30,000.00	30,000.00
125	Severance Tax 1/4:	178,193.42	194,149.77	347,942.09	366,179.42
126	Severance Act #310:	3,060.37	3,271.62	6,227.85	6,410.70
127	Severance Act #759 of 1979:	5,593.05	7,721.27	10,642.80	9,189.42
128	Timber Severance:	383,933.27	380,141.01	860,175.45	693,503.51
129	Add'l Severance/Coal Act #560:	.00	.00	.00	.00
130	Add'l Severance Act #761:	137,243.00	129,915.07	273,269.82	260,037.71
131	Add'l Severance/Brine Act #874:	12,584.36	17,372.84	23,946.30	20,676.17
132	SoyBean State Act #259:	12,629.88	21,537.49	26,979.20	42,076.56



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<b>Special Revenues</b>	<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
133 Wheat Promotion:	50,355.64	64,775.90	291,558.74	364,139.74
134 Rice Promotion:	154,180.58	115,178.26	292,800.01	261,717.13
135 Real Estate Transfer Act #754:	.00	.00	60,000.00	60,000.00
136 Real Estate Transfer Act #754:	75,378.52	85,380.23	97,827.38	94,847.82
137 Real Estate Transfer Act #729-80%	1,206,074.18	1,366,102.38	2,525,274.69	2,477,600.84
138 Real Estate Transfer Act #729-10%:	150,759.28	170,762.76	315,659.32	309,700.09
139 Real Estate Transfer Act 729-10%:	150,759.28	170,762.76	315,659.32	309,700.09
140 Beef Council State:	31,928.50	39,555.25	58,266.75	82,494.25
141 Wine Tax Act #906:	1,222.53	608.29	2,281.36	1,088.93
142 Misc Non Revenue	.00	.00	.00	.00
143 Sales Tax Aviation Act #449:	232,300.62	271,926.63	518,215.38	535,331.39
144 Rent Car Search Fee Act #1359/99:	8.00	.00	8.00	.00
145 Dog Racing Act #382:	.00	.00	4,457.97	2,907.35
146 ABC Application Fees Act #675:	1,750.00	625.00	2,200.00	625.00
147 DWI Reinstatement Act 802/95:	17,810.00	14,727.30	31,729.50	26,314.40
148 DL Vision Test:	47,265.00	47,831.00	93,952.00	90,067.00
149 Beef Council-National:	31,928.50	39,555.25	58,266.75	82,494.25
150 Brucellosis Control Fund:	49,204.00	65,976.00	93,347.00	134,132.00
151 DWI Additional Act 631/316 Of 91:	.00	123.19	.00	198.19
152 Waste Tire Fee #749 Of 91:	361,967.17	364,633.53	727,158.48	743,286.15
153 Swine Testing #1105 Of 91:	47.00	44.00	124.00	167.00
154 DWI Reinstatement #802/95:	62,040.00	69,428.70	127,660.50	124,053.60
155 Rural Health Act #210/93:	22,385.00	46,950.00	106,115.00	235,245.00
156 Severance Tax #761 Of 83:	.00	.00	.00	.00
157 SoyBean Act #340/91-Nation:	12,629.83	21,537.45	26,979.09	42,076.46
158 Committed to Education	.00	6,700.00	.00	13,700.00
159 Motor Fuel Interstate User:	217,933.98	341,232.39	745,040.46	585,249.07
160 Telephone Com. Equipment Act #501/95:	.00	.00	.00	.00
161 Sales Tax Per Fees Act #620/93:	46,965.19	45,000.00	92,715.19	81,000.00
162 MV Validate Decal Act #974/97:	226,746.00	231,537.10	464,791.00	449,836.10
163 Liab Insurance Reinstatement #357/93:	1,220.00	1,420.00	2,625.00	2,760.00
164 ASP Ins Prem 1500/01	241,256.10	260,859.00	491,682.76	433,828.66

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<b>Special Revenues</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
165	Econ. Dev. or AR Fund #590/93:	.00	.00	.00	.00
166	DUI Reinstatement Act #863/93:	.00	.00	.00	.00
167	DUI Court Cost Act #863/93:	.00	.00	.00	.00
168	Waste Tire Fee PCE Act #1292/97:	31,461.10	31,707.26	63,216.82	64,633.57
169	Catfish Promo Board Act #790/99:	24,694.37	21,098.93	46,619.20	40,605.92
170	Game Protect Fund Act #1566/99:	32,925.00	22,900.00	66,275.00	42,550.00
171	Property Tax Relief Act #1492/99:	16,433,015.50	15,794,461.02	32,446,067.33	31,493,890.10
172	Special Plate Fee 93 Session:	93,927.00	95,269.00	195,110.00	314,081.00
173	Installment Fee Act #1262/95:	.00	.00	.00	.00
174	Public School Sup Fund #916/95	.00	.00	.00	.00
175	Conervation Fund Act #156/97:	4,137,118.53	3,991,333.83	8,253,408.18	7,984,352.14
176	Avia Aeronautics Act #924/97:	25,152.95	40,848.73	767,587.31	52,545.10
177	Ar Corn/Sorghm Brd Act #271/97:	7,094.86	751.54	11,501.95	2,776.57
178	Administration Just Fund Act #788/97:	.00	.00	.00	.00
179	DIS Waste Tire Fee Act #1292/97:	19,103.78	23,994.49	37,048.19	37,974.01
180	Insurance Act #991/97:	7,650.00	.00	7,650.00	.00
181	Aging & Adult Svcs Act 1698/01	81,414.76	68,417.08	154,141.18	68,417.08
182	DHS Grant Fund Act 1698/01	81,414.76	68,417.08	154,141.18	68,417.08
183	Breast Cancer Research 1698/01	79,730.23	67,001.56	150,951.97	67,001.56
184	Breast Cancer Control 1698/01	318,921.33	268,006.22	603,808.29	268,006.22
185	General Improve Fund 1681/01	27,696,434.17	302,870.28	29,000,554.63	302,870.28
186	Driver Confirmation Act 1810/01	.00	.00	.00	.00
187	AR School For Deaf Act 1556/01	.00	.00	.00	.00
188	AR School for Blind Act 1556/01	.00	.00	.00	.00
<b>Total Special Revenues</b>		<b>\$ 108,442,450.80</b>	<b>\$ 73,537,372.92</b>	<b>\$ 189,204,500.49</b>	<b>\$ 145,383,963.03</b>

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<b>General Revenues</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
201	Cigarette Tax:	6,548,985.80	5,641,617.64	13,017,905.32	9,958,700.51
202	Tobacco Permits Act 1337/97:	27,850.00	17,970.00	81,430.00	55,620.00
203	Cigar & Tobacco Tax:	1,325,057.84	1,191,412.51	2,642,667.04	2,358,114.90
204	Cigarette Paper Tax:	33,508.00	42,215.71	67,851.88	83,093.56
205	Beer Tax:	1,111,599.68	1,114,085.01	2,202,350.75	2,259,302.84
206	Beer Enforcement Act #271:	37,043.75	37,126.57	73,392.73	75,290.64
207	Liquor Tax:	377,897.99	393,259.50	1,054,404.98	984,976.13
208	Liquor Enforcement:	12,485.00	13,160.74	34,083.24	33,068.01
209	Wine Tax \$.70 Per Gallon:	17,115.41	8,516.06	31,777.93	15,244.74
210	Wine Enforcement:	2,505.98	2,333.71	5,692.02	5,107.72
211	Wine Enforcement Act #271:	496.07	236.65	918.11	423.95
212	Wine Enforcement Act #424:	42.30	205.18	222.30	385.49
213	Imported Wine Tax:	100,604.67	96,933.71	234,894.04	210,424.95
214	Imported Wine Tax Act #424:	713.71	2,326.83	2,796.39	4,459.59
215	Beer Permits:	30,670.00	41,870.00	104,835.00	94,800.00
216	Liquor Permits:	44,065.00	60,540.00	197,970.00	157,450.00
217	Wine Permits:	1,892.50	3,397.50	5,770.00	5,002.50
218	Severance Tax 3/4:	534,579.95	582,448.66	1,043,825.86	1,098,537.90
219	Amusement Machine Tax:	.00	.00	.00	.00
220		.00	.00	.00	.00
221		.00	.00	.00	.00
222	Real Estate Transfer Act #754:	678,406.54	768,421.07	1,420,445.69	1,393,629.56
223	Aviation Use Act #924/97:	.00	.00	.00	.00
224		.00	.00	.00	.00
225	Gross Receipts:	149,882,778.37	144,737,791.91	297,392,151.01	289,253,747.29
226	Estate Tax:	.00	3,745,273.39	.00	5,354,008.43
227	Income-Individual:	7,775,937.57	8,355,643.46	11,813,695.30	11,794,014.48
228		.00	.00	.00	.00
229	WithHolding Monthly:	107,422,094.66	103,236,175.30	224,151,733.63	217,824,412.60
230	Individual Est. Inc.:	2,288,539.95	2,299,257.28	5,006,136.13	4,704,700.64
231	Corporation Income:	2,839,374.76	1,181,022.16	5,329,921.96	2,562,319.27
232	Corporation Est. Inc.:	5,753,655.00	1,977,481.24	16,620,931.02	13,302,775.78

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<b>General Revenues</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
233	Liquor Tax \$1.00/.50 Per Gallon:	30,332.54	27,004.19	58,931.16	72,325.82
234		.00	.00	.00	.00
235	Dog Racing:	184,584.57	198,613.22	353,954.53	460,807.67
236	Horse Racing:	121,750.14	141,461.44	293,256.89	356,713.15
237	ABC Fines:	12,150.00	30,300.00	23,750.00	56,200.00
238	ABC Transcripts:	.00	32.40	10.40	280.80
239		.00	.00	.00	.00
240	Sunday Sales Permits:	2,080.00	2,745.00	5,545.00	8,890.00
241	DWI Reinstatement Act #802/95:	18,800.00	21,039.00	38,685.00	37,592.00
242		.00	.00	.00	.00
243		.00	.00	.00	.00
244		.00	.00	.00	.00
245		.00	.00	.00	.00
246		.00	.00	.00	.00
247	Vending Machine Act #928/1997:	80,932.00	271,438.00	601,102.00	1,211,678.00
248		.00	.00	.00	.00
249	DUI Reinstatement Act #863/93:	.00	.00	.00	.00
<b>Total General Revenues</b>		<b>\$ 287,298,529.75</b>	<b>\$ 276,243,355.04</b>	<b>\$ 583,913,037.31</b>	<b>\$ 565,794,098.92</b>

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<b>Trust Revenues</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
301		.00	.00	.00	.00
302	Ad Volorem Trust:	179,575.25	275,726.43	510,960.75	466,914.36
303	Local Sales/Use Trust:	56,353,715.47	54,047,505.34	114,081,315.59	108,396,698.68
304	Craft Train Trust Fund Act #474/99:	38,709.50	23,373.27	70,438.71	64,131.88
305		.00	.00	.00	.00
306		.00	.00	.00	.00
307		.00	.00	.00	.00
308		.00	.00	.00	.00
309		.00	.00	.00	.00
310		.00	.00	.00	.00
311	Petro Environ Assurance Fee:	446,892.43	217,503.20	873,903.24	429,072.41
312		.00	.00	.00	.00
313	U.S. Olympic Comm. Act #471/93:	.00	.00	.00	.00
314	Soft Drink Tax Act #1073/93:	3,587,652.81	3,454,534.55	7,821,780.44	7,524,884.74
315	Disaster Relief Trust Act #1181/97:	.00	.00	.00	.00
316	ID Pen LC Sales/Use Act #928/97:	20,233.00	67,859.50	150,275.50	302,919.50
<b>Total Trust Revenues</b>		<b>\$ 60,626,778.46</b>	<b>\$ 58,086,502.29</b>	<b>\$ 123,508,674.23</b>	<b>\$ 117,184,621.57</b>
<b>Sum Total Of All Revenue</b>		<b>\$456,367,759.01</b>	<b>\$ 407,867,230.25</b>	<b>\$ 896,626,212.03</b>	<b>\$ 828,362,683.52</b>

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<b>Pull Out Revenue</b>		<b>Aug 2002</b>	<b>Aug 2001</b>	<b>2 Months 2002</b>	<b>2 Months 2001</b>
401	Title	108,970.00	109,589.50	216,811.50	204,605.00
402	Lien:	36,433.83	38,830.00	72,397.92	70,138.00
403	Postal:	57,847.50	59,903.53	116,483.75	112,494.03
404	ADFA	340,119.00	347,305.65	697,186.50	674,754.15
405	Transfers:	1,219.00	1,246.00	2,478.00	2,402.00
406	Lost/:	5,667.00	7,307.00	11,358.00	14,183.00
407	Driver License:	494,841.86	533,765.93	1,005,992.25	1,072,480.94
408	Oil & :	15,271.59	16,994.75	30,110.47	29,944.47
409	CDL #241	58,665.13	65,673.96	110,647.51	122,835.18
410	Search:	51.75	8.75	90.75	63.75
411	Non DWI:	82,930.00	91,030.00	170,900.00	167,455.00
412	IRP Ref:	6,797.57	.00	6,797.57	.00
413	Plate of U of A Act 999/01	13,400.00	6,600.00	22,075.00	6,600.00
414	Plate ASU Act 999/01	1,050.00	575.00	1,825.00	575.00
415	Plate UALR Act 999/01	225.00	50.00	400.00	50.00
416	Plate UCA Act 999/01	400.00	175.00	600.00	175.00
417	Committed to Education 529/01	5,100.00	775.00	21,975.00	775.00
418	SAU College	175.00	.00	175.00	.00
<b>Total Pull Out</b>		<b>\$ 1,229,164.23</b>	<b>\$ 1,279,830.07</b>	<b>\$ 2,488,304.22</b>	<b>\$ 2,479,530.52</b>

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